

PLANNING & ZONING REPORT

Liquor and Tobacco Advisory Board Meeting of October 20, 2020 Laid over from September

File # 020-LTAB-084

APPLICANT: Jamal Abedrabbo / 815 Hookah City Corporation d/b/a 815 Hookah Lounge

LOCATION: 4846 East State Street

REQUESTED ACTION: The sale of tobacco products in conjunction with a hookah lounge in a C-3.

General Commercial Zoning District.

EXISTING USE: Vacant

PROPOSED USE: Hookah Lounge

DIMENSIONS: See attached Exhibit D.

ADJACENT ZONING AND LAND USES:

NORTH: R-4, C-3: Multi-family, Parking lot Travel Inn. Offices EAST: C-3; SOUTH: C-2; Manhattan Plaza Office WEST: C-3;Forest City Motors, Retail

YEAR 2020 PLAN: \mathbf{C} Commercial Retail

HISTORY: File #016-LTAB-019: The sale of liquor by the drink in conjunction with a

> restaurant and an outdoor seating area/beer garden in a C-3, General Commercial Zoning District was approved on June 21, 2017 for the subject

property. This use was never established.

REVIEW COMMENTS: The Applicant is requesting the sale of tobacco products in conjunction with

a hookah lounge in a C-3, General Commercial Zoning District. The subject property is located on the north side of East State Street and the parking lot

is east of Flintridge.

The subject property is the former Fatty McGee's and Stash O'Neil's. The building has been vacant for the last few years. After the liquor license was approved in 2017, some improvements were made to the building but were not completed. Subsequently, the liquor license holder passed away and the use was never established. The Applicant is requesting a tobacco license in conjunction with a hookah lounge. The Applicant will be leasing the building starting September 1, 2020 until August 31, 2030. For that reason, the Applicant would need to have the tobacco license reviewed by the Board.

As part of the review, it is required by the Applicant to submit a completed tobacco license application, security plan, if applicable, and a business plan. Additional items are presented for the use approval regarding the site and

intended business.

No site plan was submitted with this application. Exhibit C is the layout of the existing site with the building and parking lot to the west and northwest of the building. Staff is not sure of the number of existing parking spaces or the size of the building.

Exhibit D is the interior floor plan. The floor plan is from 2007. The business plan states, "the interior, as depicted in the drawing represents the final concept that will be incorporated into this new venue. However, extensive upgrades to existing structure will need to be made in order to bring it to the standards needed for a successful operation." The submitted floor area shows two separate rooms with a bar, seating area and dance floor with a DJ booth. There is an office on the north side and a kitchen on east side of the building with the main entrance off of the west end of the building. Staff is unsure if this is the most current layout or how extensive the renovations and upgrades will be to the subject property. Staff may have additional comments based on the final layout.

Exhibit E is the building elevation. The plans are dated from 2007. These improvements were completed. The building façade is EIFS, culture stone and roof metal panels.

Exhibit F is the business plan. The business plan further explains the business operations. The business will provide clients with share shisha, which is flavored tobacco. The hookah lounge will incorporate Middle Eastern décor and music. The hours of operation would be 7 days a week from 5:00 p.m. to 12:00 a.m. The building would receive renovations and upgrades costing in excess of \$200,000. Tobacco products will be sold from the bar area. The proposed use is more common in the City of Chicago. Currently, that is the closest place to experience the flavored tobacco. The lounge area will have a communal hookah for rent. There will be an age restriction of 21 years or older to enter the facility. Only water will be sold and no other beverage or food products will be available for purchase. Customers will be able to bring their own food and drinks. A filtration system will be installed throughout the building.

Exhibit G is the service calls for the last two years September 3, 2018 to September 3, 2020. There are a total of 19 service calls. The reported offense range from Building check to 911 Information.

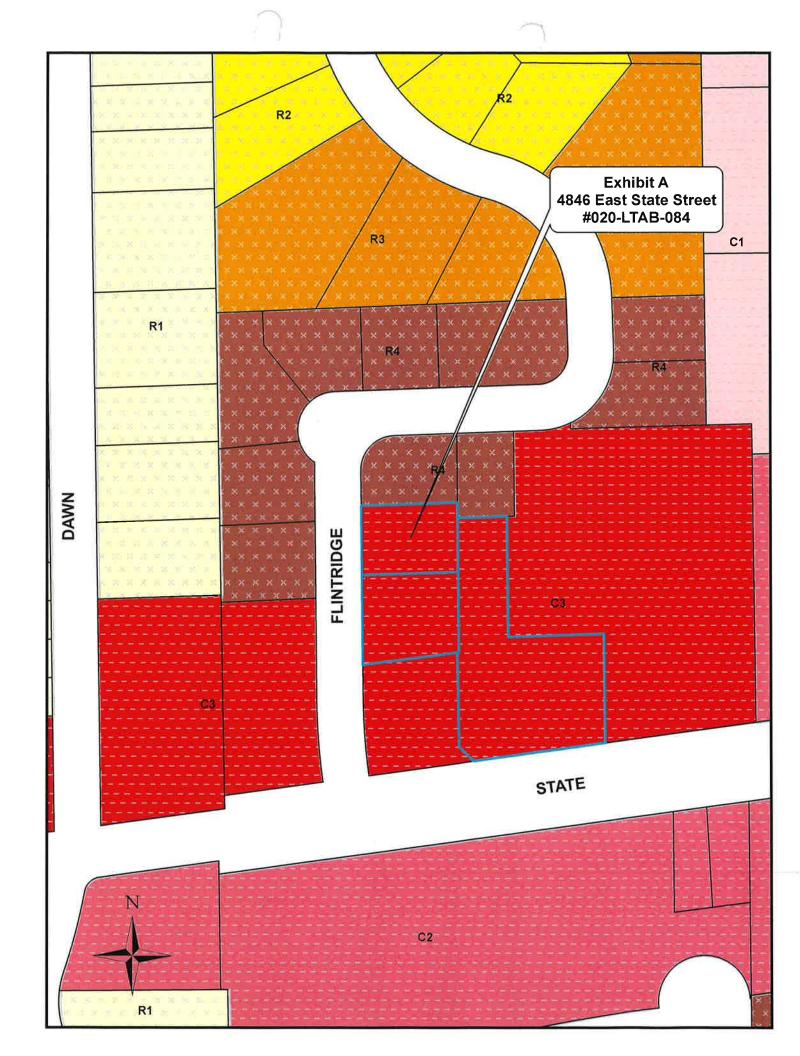
The tobacco license application indicates that the proposal for this property is a restaurant. The business plan did not indicate percentages on tobacco sales versus other products. The business plan also indicates that the lounge will not provide food or beverages besides water, which would be inconsistent with a restaurant use. Additionally, it says that customers will be able to bring their own food and beverages, if they wish. It is not clear whether the Applicants means alcoholic beverages or non-alcoholic beverages. An application for a City liquor license was not submitted and customers may not bring their own liquor. Under section 3-2 of the City's Liquor Code, "no person or entity shall sell, offer to sell or permit to be consumed any alcoholic liquor upon their premises without a valid liquor license." Further, any food or beverages on the premises may have to be regulated by the Winnebago County Health Department. There are repairs

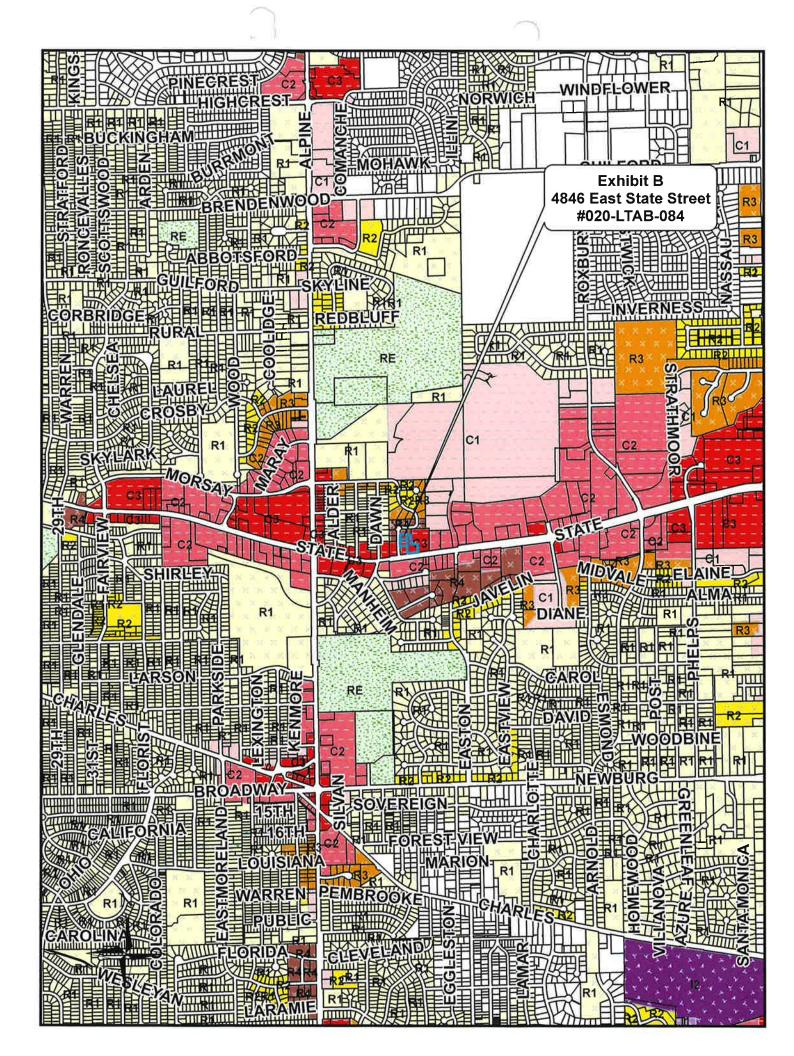
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and renovations that the building would need to be completed that are not shown in the plans submitted and dated from 2007. The parking lot is in disrepair. Upon inspection of the property, the adjacent auto dealership to the west is utilizing the parking lot as an expansion of the dealership. There is also a boat, snowplow, dead landscaping and broken TVs within the parking lot. The Applicant did not provide improvements to this site or a site plan for staff's review. For these reasons, Staff does not support this request.

RECOMMENDATION: Staff recommends **DENIAL** of the sale of tobacco products in conjunction with a hookah lounge in a C-3, General Commercial Zoning District.

SC/BM 09/09/2020







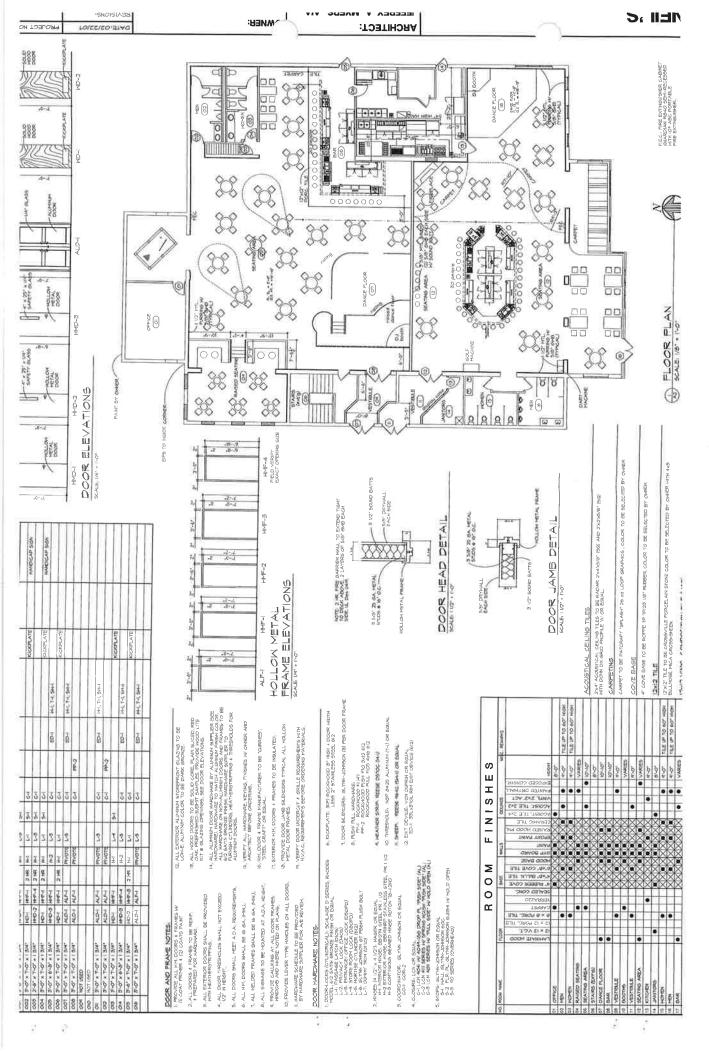
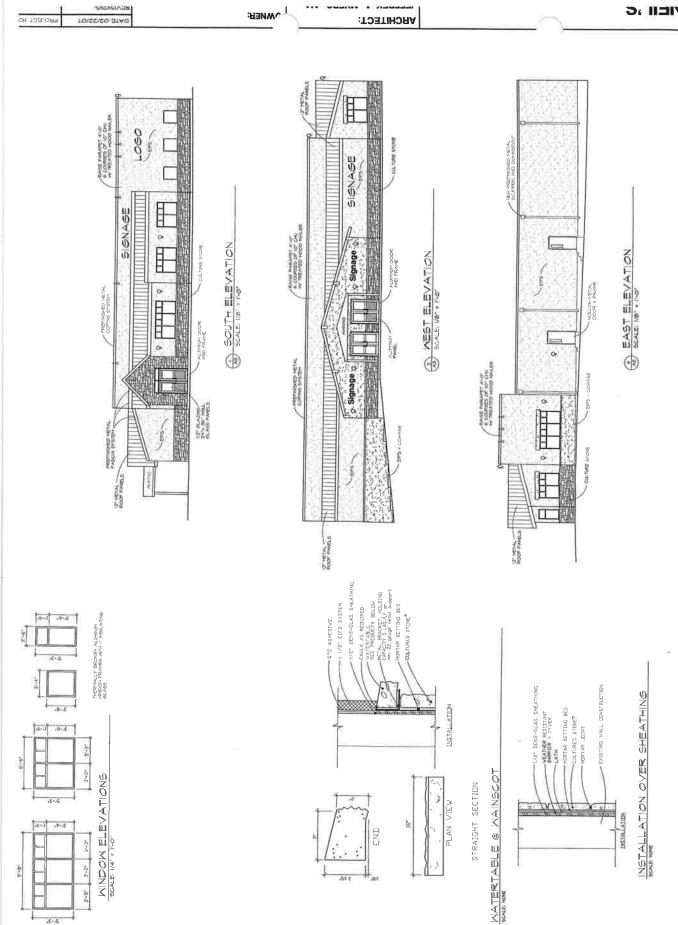


Exhibit D 4846 East State Street #20-LTAB-084





4846 East State Street #20-LTAB-084 Exhibit E

815 HOOKAH CITY CORP BUSINESS PLAN

I. EXECUTIVE SUMMARY

815 Hookah City Corp, (hereinafter "Business") is formed as a Illinois S-Corporation with an anticipated location at 4846 E. State Street, Rockford, Illinois 61108.

Business Description. The Business is organized as a S-Corporation formed and authorized under the laws of the State of Illinois, and will be led by Jamal Abedrabbo, who will serve as Owner.

Jamal Abedrabbo is a local entrepreneur that has successfully started businesses in the City of Rockford. He is committed to providing economic opportunities to further growth within our city. He is socially active in a wide range of activities, often times lending his facilities to special events and allowing use of automobiles from his auto dealership to deliver food and goods to those in need.

New Venue. This business will operate as follows:

Provide a common Indian and Middle Eastern cultural experience where patrons share shisha (flavored tobacco) from a communal hookah or from one placed at each table or a bar. The lounge will sell no other products other than shisha and rental of hookahs. Patrons must be at least 21 years of age to enter facility. Other than water, the lounge will provide no other beverage or food products. Patrons will be able to bring in their own drinks and food if they wish.

Today, potential patrons travel 90 minutes to the City of Chicago to enjoy this cultural experience on a weekly basis. This is not only a safety concerns as these have become weekly outings, but also deprives the City of Rockford the economic advantage of having this service enjoyed locally with money remaining in our city.

Exhibit F 4846 East State Street #20-LTAB-084

II. BUSINESS SUMMARY

The business is a start-up business, providing clients with share shisha (flavored tobacco).

Industry Overview. In the United States, hookah lounges are often owned and operated by people from the Middle East where hookah is a centuries-old tradition. Our concept will incorporate such elements as Middle Eastern decor and music.

Hours of Operation. 5pm - 12am - 7 days a week

Building Layout. See attached drawing for Oneil's Restaurant & Bar dated 02/22/2007. The interior, as depicted in the drawing represents the final concept that will be incorporated into this new venue. However, extensive upgrades to existing structure will need to be made in order to bring it to the standards needed for a successful operations. The Business alone is prepared to put in excess of \$200,000 in renovations and upgrades.

Tobacco products will be sold from location known as Bar 2 on drawing K-1.

III. MARKETING SUMMARY

Target Markets. The main target markets for the business include:

- Middle Eastern Community
- Adults wanting to engage in a unique Indian and Middle Eastern cultural experience

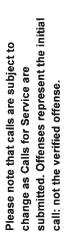
The existing Middle Eastern community within Rockford is eager to have a local hookah lounge to enjoy this cultural experience versus having to travel to a different city. Initial marketing will be focused on spreading the work through the immigrant communities who would frequent this establishment as they do in their home country.

2 8/7/2020

III. LOUNGE LOCATION

The proposed lounge will take over the establishment of a former restaurant and grill that has been vacant for years. Although the existing building has a layout which will require no modification, extensive renovation and upgrading will need to be done. In addition to these needed repairs, tenant will install a state-of-the-art commercial air filtration system throughout the facility.

The present state of the existing building is an eye sore for the City of Rockford. It has been vacant for a long time and has fallen into disrepair. Tenant, working with landlord, will upgrade the building to make it occupiable.



City of Rockford Police Department Calls for Service For 9/3/2018 to 9/3/2020



CFS Number	CFSDate	Time	Reported Offense (Non-Verified)	Location
18-121390	09/25/2018	15:41	7223 Building check (requested or officer initiated)	4846 E STATE ST
18-132937	10/22/2018	11:55	7332 Suspicious person	4846 E STATE ST
18-156640	12/18/2018	17:49	7252 Check for well-being	4846 E STATE ST
19-000158	01/01/2019	3:38	7252 Check for well-being	4846 E STATE ST
19-000931	01/03/2019	1:38	7977 Central Reporting Unit - DPR	4846 E STATE ST
19-006422	01/16/2019	17:16	7252 Check for well-being	4846 E STATE ST
19-007221	01/18/2019	12:44	7977 Central Reporting Unit - DPR	4846 E STATE ST
19-011205	01/29/2019	8:27	7252 Check for well-being	4846 E STATE ST
19-040452	04/10/2019	18:58	7223 Building check (requested or officer initiated)	4846 E STATE ST
19-049901	05/02/2019	20:20	1880 All of cannabis offenses	4846 E STATE ST
19-056371	05/17/2019	21:26	7390 Other Public Complaints	4846 E STATE ST
19-057218	05/19/2019	19:17	7980 911 Information	4846 E STATE ST
19-063185	06/01/2019	21:57	7332 Suspicious person	4846 E STATE ST
19-063206	06/01/2019	22:31	7981 Cellular 911 Hangup	4846 E STATE ST
19-063650	06/02/2019	21:43	7980 911 Information	4846 E STATE ST
19-067474	06/10/2019	19:30	7252 Check for well-being	4846 E STATE ST
19-105885	09/02/2019	12:06	7222 Open doors/windows	4846 E STATE ST
19-107504	09/05/2019	23:39	7252 Check for well-being	4846 E STATE ST
19-110900	09/13/2019	14:53	7980 911 Information	4846 E STATE ST

#20-LTAB-084 Exhibit G

Please note that the Call for Service is specified for a property. Location is not specific to any person, place, or event. Call for service location is tied to the location to where the call was received.

4846 East State Street

Produced: 9/4/2020 8:43:09AM Data obtained from NetRMS.